

CAUSE NO. D-1-GV-08-000945

THE STATE OF TEXAS,	§	IN THE DISTRICT COURT OF
Plaintiff	§	
v.	§	
	§	
	§	TRAVIS COUNTY, TEXAS
LINCOLN MEMORIAL LIFE	§	
INSURANCE COMPANY	§	
AND NATIONAL	§	
PREARRANGED SERVICES, INC.,	§	
Defendants	§	250 <sup>th</sup> JUDICIAL DISTRICT

**FINAL ACCOUNTING AND APPLICATION TO TERMINATE LINCOLN  
MEMORIAL LIFE INSURANCE COMPANY RECEIVERSHIP ONLY  
AND DISCHARGE RECEIVER AND SPECIAL DEPUTY RECEIVER**

TO THE HONORABLE JUDGE OF THIS COURT

JO ANN HOWARD & ASSOCIATES, P.C., Special Deputy Receiver of Lincoln Memorial Life Insurance Company and National Preranged Services, Inc. (the “SDR”, “Lincoln Memorial,” and “NPS,” respectively) files this *Final Accounting and Application to Terminate Lincoln Memorial Life Insurance Company Only Receivership and Discharge Receiver and Special Deputy Receiver* (the “Application”).

**I. INTRODUCTION**

1.1 The SDR would show that the delinquency proceeding against Lincoln Memorial should be concluded. On February 5, 2025, this Court entered its *Order Granting Final Report and Application to Make Final Distribution for Lincoln Memorial Life Insurance Company* (“Final Distribution Order”). The SDR has completed the distribution of assets in accordance with the Final Distribution Order and submits its final accounting. The SDR requests that the Court terminate this receivership proceeding and discharge the Texas Commissioner of Insurance (“Commissioner”) as Receiver of Lincoln Memorial and JO ANN HOWARD & ASSOCIATES, P.C., as the SDR of Lincoln Memorial. This Application does not affect the other company made the

subject of these receivership proceedings, NPS, except as specifically described in this Application.

## II. AUTHORITY

### 2.1 Statutory Authority

This Application is filed pursuant to § 443.352 of the Texas Insurance Code (the “Code”), which provides for the termination of the receivership proceeding after all asset collection and distribution activities have been completed. The SDR is authorized to file this Application pursuant to § 443.154 (a) of the Code. Unless otherwise indicated, all statutory references herein are to the Texas Insurance Code.

### 2.2 Reference to Master

The subject matter of the Application has been referred to the Special Master appointed in this proceeding in accordance with the *Amended Order of Reference to Master* appointing Tom Collins as Special Master in this proceeding on October 24, 2008.

## III. FINAL FINANCIAL STATEMENTS

### 3.1 Final Financial Reports

Section 443.016 of the Code requires the SDR to periodically file a statement of assets and liabilities, changes in assets and liabilities, and funds received or disbursed during the period. Exhibits 1 (Statement of Net Assets) and 2 (Statement of Net Liabilities), attached hereto and incorporated by reference, reflect the financial condition of the receivership estate as of June 17, 2025. The consolidated Cash Sources and Uses Statement, attached as Exhibit 3 and incorporated by reference, lists all funds received and disbursed or expected to be disbursed from the receivership estate from the date of receivership through the closing of the estate. The Disposition of Assets Schedule as of June 17, 2025, for the receivership is attached as Exhibit 4.

3.2 Exhibits 1 through 4 are the final financial reports for the Lincoln Memorial receivership in accordance with § 443.016 of the Code.

#### **IV. EXPENSES**

4.1 The Final Distribution Order approved an Expense Reserve of \$827,853 for the payment of estimated expenses from January 1, 2025, through the termination of the receivership. The actual fees of the SDR and subcontractors and expenses were \$215,213, resulting in \$612,640 remaining. The Final Distribution Order provided for the handling of any money left in the estate after the payment of the closing expenses and defined such money as “Residual Funds.” Attached as “Exhibit 5” is the Final Statement Expenses submitted pursuant to § 443.015 of the Code.

4.2 The Final Distribution Order provided that if it is economically feasible to distribute Residual Funds to Class 2 claimants, the SDR shall make a supplemental distribution from any such residual funds, after reserving for distribution expenses. Any supplemental distribution will be subject to the \$25 *de minimis* distribution threshold approved by the Court. The SDR determined that it was economically feasible to make a supplemental distribution. The SDR determined that all of the Residual Funds should be distributed to NOLHGA on its approved Class 2 claim because the potential distributions to the other Class 2 creditors fall below the *de minimis* threshold. The SDR made a supplemental distribution in the amount of \$756,948 to NOLHGA on its Class 2 claim.

#### **V. DISTRIBUTIONS**

5.1 The SDR paid one hundred percent (100%) of the NOLHGA Class 1 claim and 1.23% on Class 2 claims as approved in the Final Distribution Order.

## **VI. UNCLAIMED FUNDS**

6.1 Two distribution checks totaling \$67.92 were uncashed and are unclaimed funds. The claims are identified in the attached Exhibit 6. Pursuant to the Final Distribution Order, all unclaimed funds were transferred to the Commissioner for deposit in a segregated unclaimed funds account as required under § 443.304(a) of the Code.

## **VII. FEDERAL INCOME TAX RETURNS**

7.1 The SDR will file the final federal income tax return for the years 2024 and 2025 as part of the consolidated returns filed by its parent, Memorial Service. No income taxes are owed by the estate.

## **VIII. TRANSFERS**

8.1 The Final Distribution Order authorized the SDR to transfer all unknown assets of Lincoln Memorial to the Commissioner. The SDR has executed the Assignment to the Commissioner using the form approved in the Final Distribution Order. There are no known unliquidated assets. The SDR requests that, in the event any assigned assets are collected and liquidated, and such amount is sufficient in the Commissioner's discretion to economically justify a distribution, this proceeding may be reopened under § 443.353 of the Code. If such amount is not sufficient in the Commissioner's discretion to economically justify a distribution, the SDR requests that any such funds be deposited in an account established by the Commissioner in accordance with § 443.304(c) of the Code.

## **IX. RECORDS**

9.1 Records that may be required after the termination of this proceeding will be delivered to the Commissioner pursuant to § 443.354(b) of the Code and maintained in compliance with the Receiver's records retention policy for receivership records after the entry of the order

granting the Application. The SDR requests that the Court authorize the Commissioner to retain or dispose of these records at her discretion.

#### **X. CERTIFICATION OF ACTIVITIES**

10.1 The SDR certifies that all activities necessary to conclude this proceeding have been performed along with the final accounting of all funds in the estate.

#### **XI. TERMINATION AND DISCHARGE**

11.1 The SDR requests that this Court issue an order terminating this delinquency proceeding and discharging the Receiver and SDR.

#### **XII. OFFER OF PROOF**

12.1 This Application is verified by the affidavit and certification pursuant to TEX. INS. CODE § 443.017(b) of the Code by Jo Ann Howard, President of Jo Ann Howard & Associates, P.C., solely in its capacity as SDR of Lincoln Memorial.

#### **XIII. NOTICE**

13.1 In accordance with § 443.007(d) and the *Order of Reference*, the SDR served this Application at least 14 days before the submission date of this Application on (i) parties that filed an appearance in this proceeding and (ii) other parties as determined by the SDR as shown on the Certificate of Service.

#### **PRAYER**

WHEREFORE, PREMISES CONSIDERED, Jo Ann Howard & Associates, P.C., Special Deputy Receiver of Lincoln Memorial, respectfully prays that this Court enters an Order:

1. Granting the Application;
2. Admitting into evidence and approving the final financial statements, Exhibits 1 through 4;
3. Approving the Final Statement of Expenses;

4. Approving the distribution of all unclaimed funds transferred to the Commissioner for deposit in a segregated unclaimed funds account as required by under § 443.304(a) of the Code;
5. Ordering that, in the event that any assigned assets are collected and liquidated, and such amount is sufficient in the Commissioner's discretion to economically justify a distribution, the Commissioner is authorized to move to reopen this proceeding under § 443.353 of the Code and, if such amount is not sufficient in the Commissioner's discretion to economically justify a distribution, that any such funds be deposited in an account established by the Commissioner in accordance with § 443.304(c) of the Code;
6. Approving the transfer of title to records as described in the Application and authorizing the Commissioner to retain or dispose of the receivership records at her discretion;
7. Dissolving the charter of Lincoln Memorial;
8. Discharging the Receiver and SDR;
9. Terminating this delinquency proceeding;
10. Ordering that the Order granting the Application is a final judgment relating to the Lincoln Memorial receivership; and
7. Granting such further relief to which the SDR or Receiver may be entitled.

Respectfully submitted,

FULLER LAW GROUP

By: /s/Christopher Fuller

Christopher Fuller

Texas Bar No. 07515500

4612 Ridge Oak Drive

Austin, Texas 78731

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**Attorney for Jo Ann Howard & Associates, P.C.  
Special Deputy Receiver of Lincoln Memorial  
Life Insurance Company**

## APPLICANT'S NOTICE OF SUBMISSION

Pursuant to the terms of the Amended Order of Reference to Master entered by the District Court in this cause, the *Final Accounting and Application to Terminate Lincoln Memorial Life Insurance Company Only Receivership and Discharge Receiver and Special Deputy Receiver* is hereby set for written submission before the Special Master, Tom Collins, on **July 14, 2025**.

The Special Master has asked that the following rules be provided you:

1. Any objection must be filed with the Travis County District Clerk at least three (3) calendar days before the submission date.
2. A copy of any objection shall be served by email by such date on:
  - (a) The Special Master's Docket Clerk, at [specialmasterclerk@tdi.texas.gov](mailto:specialmasterclerk@tdi.texas.gov);
  - (b) The undersigned counsel, Christopher Fuller at [cfuller@fullerlaw.org](mailto:cfuller@fullerlaw.org); and
  - (c) All interested parties, including those listed on the SDR's Certificate of Service.
3. The objecting party shall coordinate with the SDR's counsel and the Docket Clerk [(512) 676-6915]] to obtain an oral hearing setting for argument on the Application and Objection, and complete and attach an "Objecting Party's Notice of Oral Hearing" to the objection.
4. The written objection must specifically list all reasons for objection with supporting references to and discussion of statutory and case authorities. Reasons not stated in writing will not be considered orally.
5. **Please note that if an objection is not filed as described in the Notice of Submission, the Master may consider the Application without a hearing.**
6. **Failure to file timely a written objection before the Special Master constitutes a waiver of the right to object to the Special Master's recommendation to the District Court.**
7. Any Acknowledgment of Notice and Waiver to be filed by the Guaranty Association or other interested party should be filed at least three (3) calendar days before the submission or hearing date.

/s/ Christopher Fuller/  
\_\_\_\_\_  
Christopher Fuller

## CERTIFICATE OF SERVICE

I certify that on June 27, 2025, a true and correct copy of this FINAL ACCOUNTING AND APPLICATION TO TERMINATE LINCOLN MEMORIAL LIFE INSURANCE COMPANY ONLY RECEIVERSHIP AND DISCHARGE RECEIVER AND SPECIAL DEPUTY RECEIVER was served pursuant to the *Order of Liquidation, Order Approving Liquidation Plan and Permanent Injunction*, and *Amended Order of Reference*, the Court's order requiring electronic service, the Texas Rules of Civil Procedure, and TEX. INS. CODE ANN. § 443.007(d) on the following by electronic mail, except as specifically noted.

Via Email: [specialmasterclerk@tdi.texas.gov](mailto:specialmasterclerk@tdi.texas.gov)

Tom Collins, Receivership Master  
c/o Special Master's Clerk  
RLO MC-FRD  
PO Box 12030  
Austin, TX 78711-2030

Via Email: [foloughlin@lrrlaw.com](mailto:foloughlin@lrrlaw.com)

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Counsel to NOLHGA Task Force

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Internal Revenue Service  
Special Procedures Branch  
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Mail Stop 5026AUS  
Austin, TX 78701

Via Email: [eric.nemmers@americanenterprise.com](mailto:eric.nemmers@americanenterprise.com)  
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Assistant General Counsel  
American Enterprise Group Inc.  
601 6<sup>th</sup> Avenue  
Des Moines, Iowa 50309  
Counsel for World

*/s/ Christopher Fuller*  
\_\_\_\_\_  
Christopher Fuller

**SPECIAL DEPUTY RECEIVER'S VERIFICATION AND CERTIFICATION PURSUANT TO  
TEX. INS.CODE ANN. §443.017(b)  
AFFIDAVIT OF JO ANN HOWARD**

State of Texas

County of Travis

BEFORE ME, the undersigned authority appeared Jo Ann Howard, who after being by me duly sworn, stated the following under oath:

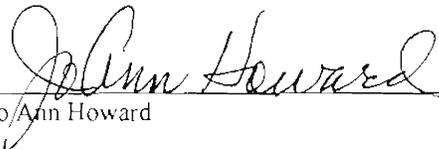
1. My name is Jo Ann Howard. I am competent to make this affidavit. The statements of fact set forth herein are true and correct, and are within my personal knowledge.

2. I am the President of Jo Ann Howard & Associates, P.C., Special Deputy Receiver of Lincoln Memorial Life Insurance Company and National Prearranged Services, Inc. (the "SDR" and "Lincoln Memorial" and "NPS," respectively). I am duly authorized to make this Affidavit on behalf of the SDR.

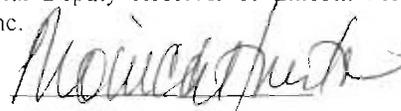
3. I certify that the exhibits submitted with the *Final Accounting and Application to Terminate Lincoln Memorial Life Insurance Company Only Receivership and Discharge Receiver and Special Deputy Receiver* were produced pursuant to TEX. INS. CODE ANN. §443.017, are either true and correct copies of records of the insurer and were received from the custody of the insurer or found among its effects or were created by and filed with the Receiver's office in connection with the receivership of these delinquent insurers, and are held by the Special Deputy Receiver in its official capacity.

4. I have read the *Final Accounting and Application to Terminate Lincoln Memorial Life Insurance Company Only Receivership and Discharge Receiver and Special Deputy Receiver* and the facts stated therein are true and correct based on my personal knowledge, my review of estate records and my consultation with my staff and sub-contractors.

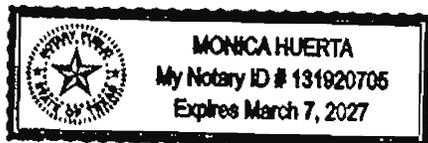
5. Further affiant sayeth not.

By:   
Jo Ann Howard

**SUBSCRIBED AND SWORN TO BEFORE ME** on June 25, 2025, by Jo Ann Howard, President of Jo Ann Howard & Associates, P.C., Special Deputy Receiver of Lincoln Memorial Life Insurance Company and National Prearranged Services, Inc.



Notary Public



# **EXHIBIT 1**

R-537

**Lincoln Memorial Life Insurance Company  
Statement of Net Assets**

**For the Period Ending  
06/17/25**

Line		06/17/25
<b>Cash</b>		
1	Cash	
	Cash - Unrestricted	0
	APF Funds (Loan proceeds)	
<b>Investments</b>		
2	Short-Term Investments	
3	Bonds	
4	Stocks - Preferred & Common	
5	Investments in Subsidiaries, Controlled or Affiliated Entities	
6	Mortgage Loans (net of allowance)	
7	Real Estate	
8	Policy Loans	
9	Other Invested Assets	
	<i>Detail Item if any</i>	
	<i>Detail Item if any</i>	
<b>Restricted Assets</b>		
10	Statutory Deposits	
11	Funds held by or deposited with Reinsured Companies	
12	Restricted - Other	
	Restricted - Funds Held for NOLHGA	
	<i>Detail Item if any</i>	
<b>Reinsurance Receivable</b>		
13	Reinsurance Recoverables on Paid Losses & LAE (net of allowance)	0
14	Reinsurance Recoverables on Unpaid Losses & LAE (net of allowance)	0
15	Reinsurance Recoverables on UEP & Contingent Commissions	
<b>Other Receivables</b>		
16	Salvage & Subrogation Recoveries	
17	Premiums Due from Agents & Policyholders (net of allowance)	0
18	Receivable from Parents, Subsidiaries & Affiliates (net of allowance)	0
19	Receivable from Guaranty Associations - Early Access Payments	0
20	Other Receivables	
	<i>Detail Item if any</i>	
	<i>Detail Item if any</i>	
<b>Other Assets</b>		
21	FF&E	
22	Other Assets (net of allowance)	0
	<i>Detail Item if any</i>	
	<i>Detail Item if any</i>	
	<b>Total Assets</b>	<b>0</b>

**Exhibit**

**1**

# **EXHIBIT 2**

R-537

**Lincoln Memorial Life Insurance Company**  
**Statement of Net Liabilities**

**For Period Ending**  
**06/17/25**

Line		06/17/25
1	Secured Claims	
2	APF Loan	
3	Special Deposit Claims	
<b>Administrative Claims - Class 1</b>		
4	Administrative Claims - State/Receiver	
	Special Deputy Receiver, Subcontractors Fees & Expenses	0
	Liquidation Oversight	
	Special Master's Fees	
5	Administrative Claims - Guaranty Assns	
	Administrative Expense Paid	0
	Administrative Expense Reserves	
6	LAE - Guaranty Assns	
	LAE Paid	
	LAE Reserves	
<b>Policy Claims - Class 2</b>		
7	Loss Claims - Guaranty Assns	
	Loss Claims Paid	0
	Loss Claims Reserves	0
8	Loss Claims - Other	
	Other Loss Claims Paid	0
	Other Loss Claims Reserves	0
9	LAE - Other	
10	Unearned & Advance Premium Claims - GA	
11	Unearned & Advance Premium Claims - Other	
<b>Other Liabilities</b>		
12	Class 3 Claims	
13	Class 4 Claims	
14	Class 5 General Unsecured Creditor Claims	
15	Class 5 Reinsurance Related Unsecured Claims	
16	Class 6 Claims	0
17	Class 7 Claims	0
18	Class 8 Claims	
19	Class 9 Claims	
20	Class 10 Interest	
21	Class 11 Claims	
22	Other Liabilities	
	<i>Detail Item if any</i>	
	<i>Detail Item if any</i>	
	<b>Total Liabilities</b>	0
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities	0
	<b>Total Liabilities &amp; Equity</b>	0

**Exhibit**

**2**

# **EXHIBIT 3**

R-537

**Lincoln Memorial Life Insurance Company**  
**Inception-to-Date Sources and Uses of Cash**  
**For the Period Ending**  
**6/17/25**

<b>Beginning Cash</b>	\$	3,305,342
<b>Sources of Cash</b>		
Premium Collections		2,116,892
Reinsurance Recovery		103,746,707
Affiliates Recovery		255,000
Settlement/Litigation Recovery		6,891,547
Other Receivable Receipts		38,349
Investment Sales Receipts		9,079,891
Other Asset Receipts		501,720
Investments Interest/Dividends		804,815
Cash Deposit Interest Income		1,892,637
<b>Total Cash Receipts</b>		<u>125,327,558</u>
<b>Uses of Cash</b>		
SDR Fees & Expenses		7,705,059
Legal Fees & Expenses		7,340,370
Subcontractor Other Fees & Expenses		1,608,644
General Administration Expenses		4,164,022
Other Expenses		4,960,334
<b>Total Disbursements for Operations</b>		<u>25,778,429</u>
Loss Claims Distributions		18,682,819
Early Access - Guaranty Associations		77,250,271
Other Distributions		6,921,392
<b>Total Cash Distributions</b>		<u>102,854,482</u>
<b>Total Cash Disbursements &amp; Distributions</b>		128,632,911
<b>Ending Cash</b>	\$	0
<b>Statement of Assets - Cash</b>	\$	<u><u>0</u></u>

# **EXHIBIT 4**

**LINCOLN MEMORIAL LIFE INSURANCE COMPANY**  
DISPOSITION OF ASSETS SCHEDULE  
Fiscal Year Ending 6/17/25

ASSET DESCRIPTION	ASSET BALANCE AS OF 05/14/08	NEW ASSETS	SOURCE OF NEW ASSETS	ASSET RECOVERY	SOURCE OF RECOVERY	DATE OF RECOVERY	AMOUNT OF WRITE OFF	REASON FOR WRITE OFF	DATE OF WRITE OFF	SETTLEMENT	SOURCE OF SETTLEMENT	DATE OF SETTLMNT	ASSET BALANCE AS OF 6/17/25
<b>CASH</b>													
Beginning Cash	3,305,342	(3,305,353)	Cash from Operations 11 Adjustment for Rounding										
Subtotal	3,305,342	(3,305,342)		0			0			0			0
<b>INVESTMENTS</b>													
Bonds/Cash on Deposit	550,000	3,839,335	TX Statutory Deposit	3,839,335	Release TX Deposit	09/30/10		Uncollectible	01/31/20				0
Mortgage Loans	(550,000)	4,065,368	Interest Receipts	4,065,368		Various	(550,000)	Uncollectible	01/31/20				0
Mortgage Loans-Allowance		653,923	See Note Below	555,842	See Note Below	Various	467,729	Uncollectible	01/31/20				0
Accrued Interest	369,648	(467,730)	Mt. Washington	177,107	Gibraltar Stock Recovery	Various	(467,730)	Uncollectible	01/31/20				0
Accrued Investment Income		177,677	See Note Below			Various	570	BNY Mellon Abandmt.	Dec-2019				0
Accrued Invest. Income-Allowance													
Other Investments													
Subtotal	369,648	8,268,573		8,637,652		Various	569	Uncollectible	Various	60,399,543	See Note Below	Various	0
<b>REINSURANCE</b>													
Reinsurance	253,905,027	28,152,451	Add. Reinsurance	102,861,188	See Note Below	Various	118,799,747	Uncollectible	Various	60,399,543	See Note Below	Various	0
Allowance	(41,258,188)	(86,637,487)	Addl. Reins. Reserve			Various	(56,777,476)	Uncollectible	Various	(71,118,199)	North American Life	Various	0
Subtotal	212,646,839	(58,485,036)		102,861,188			62,022,271			(10,718,656)			0
<b>RECEIVABLES</b>													
Premiums	2,458,049	1,057,610	Forever	2,116,892	Premium Collections	Various	1,399,767	See Note Below	06/16/25				0
Premiums-Allowance	(1,967,239)	(1,549,420)	Add. Premiums Reserve			Various	(3,516,659)	Uncollectible	06/16/25				0
Recv. from Parent, Affiliates	36,341,898	255,000	See Note Below	255,000	NFS, MSL	Various	36,341,898	Uncollectible	06/16/25				0
Recv. Parent, Affiliates-Allowance	(36,341,898)					Various	(36,341,898)	Uncollectible	06/16/25				0
Guaranty Assn.-Early Access		77,263,496	See Note Below	6,891,547	Restitution Collections	Various	77,263,496	Uncollectible	06/16/25				0
Settlement/Litigation Recovery		6,891,547	Restitutions	38,349	Oth. Recv. Collections	Various							0
Other Receivables		38,349	See Note Below			Various							0
Subtotal	491,810	83,956,882		9,301,788			75,146,604			0			0
<b>OTHER ASSETS</b>													
FF & E	9,780,911	24,144	Server & Computer Equip.	501,720	Oth. Assets Collections	Various	24,144	Obsolete Equipment	03/31/21				0
Other Assets	(9,772,999)	501,720	See Note Below			Various	9,772,999	Uncollectible	06/16/25	7,912	Woodmen Accident	7/24/09	0
Other Assets-Allowance													0
Subtotal	7,912	525,864		501,720			24,144			7,912			0
<b>RESTRICTED ASSETS</b>													
Statutory Deposits	6,791,408	(3,979,927)	See Note Below	2,811,481	See Note Below	Various	27,642,703	IAC & New Life	Various	44,554,968	See Note Below	Various	0
Funds Held by Others	58,389,349	15,022,051	See Note Below	1,213,729	New Life & Employers Re	Various	(4,451,498)	IAC & Quanta	Various	(9,802,964)	Northstar Reins.	10/22/09	0
Funds Held by Others-Allowance		(14,254,462)	See Note Below										0
Subtotal	65,180,757	(3,212,338)		4,025,210			23,191,205			34,752,004			0
<b>TOTAL</b>	282,005,308	27,748,303		125,327,558			160,384,793			24,041,260			0

Represents \$467,729 accrued for Mt. Washington Forever loan and \$186,194 accrued for TX, OK, GA and MO.  
Represents \$369,648 accrued investment income collected subsequent to receivership date, \$150,313 from Texas, \$13,500 from Oklahoma, \$3,244 from Georgia and \$19,137 from Missouri.  
Represents \$570 for Bank of North American Life, \$597,409 from Individual Assurance (IAC), \$7,427,316 from World & Woodmen Reinsurance, \$16,000,000 from Northstar Reins., \$46,238,537 from Employers Reins. (ERC), \$5,850,000 from Quanta Reins. \$9,338,838 from First American Life, \$218 collected on 7/17/18 from old Chase Bank E15637 account and \$12,020 collected on 7/21/22 from Chase Abandoned Property Fund.  
Represents Northstar Reins. settlement dated 10/22/09, Quanta Reins. settlement dated 2/1/11, Employers Reins. settlement dated 12/20/11, First American Life dated 11/11/12 and North American Life dated 10/13/14.  
Represents (\$2,116,892) adjustment of Collections dated 8/3/10/9 and \$1,399,767 Uncollectible as of 6/16/25.  
Represents \$200,000 for NPS repaid 3/10/09 and \$235,000 for MSL per Order dated 8/8/11, repaid 10/15/15.  
Represents \$688,870 NC deposit released to IGA, \$200,000 TN deposit released to IGA, \$114,043 AR deposit released to IGA, \$734,093 AL deposit released to IGA, \$113,835 AZ deposit released to IGA, \$209,428 SC deposit released to IGA, \$210,000 VA deposit released to IGA, \$75,000,000 distribution to NOLHGA and \$13,225 interest earned pursuant to Orders dated 4/14/10, 4/12/11, 4/18/12, 5/8/13, 10/17/13, 9/13/17 and 8/9/21.  
Represents \$2,500 from MMC Properties, \$4,035 from Bank of New York Mellon #431500, \$20,000 from RLO for reimbursement of transition costs and \$1,916 in Miscellaneous receipts  
Represents recials of \$223,390 from Funds Held by Others, premium tax refunds of \$1,445 from State of Arizona, \$711 from State of Oklahoma, \$3,361 from State of Nebraska, \$4,388 from MF Global, Inc., and \$268,445 from liquidation of New Life Trust account.  
Represents (\$3,874,088) release of TX statutory deposit as shown in Investment/Cash on Deposit-New Assets above, (\$90,652) adjustment for release of NC, OK, TN, AR, GA, MO, AL, AZ and SC deposits to IGA and (\$15,189) adjustment for VA as of 6/31/21.  
Represents \$688,870 for TN, \$300,000 for OK, \$114,042 for AR, \$36,211 for GA, \$734,093 for AL, \$113,835 for AZ, \$225,000 for MO, \$113,835 for NC, \$209,426 for SC, and \$210,002 for VA.  
Represents \$4,005,358 for Quanta Reins. Escrow, \$9,802,964 for Northstar Reins., \$985,519 for Employers Re and \$328,210 for transfer from New Life Trust account for payment of claims  
Represents \$30,746,646 from World and Woodmen Accident dated 7/24/09, \$9,802,964 from Northstar Reins. dated 10/22/09 and \$4,005,358 from Quanta Reins. dated 2/1/11.  
Represents (\$4,001,343) for Quanta Reins., (\$450,155) for Individual Assurance (IAC) and (\$9,802,964) for Northstar Reins.

# **EXHIBIT 5**

Lincoln Memorial Life Ins. Co.										
Closing Expenses										
	Projected	Dec	Jan	Feb	March	April	May	June	TOTAL	
									PAYMENTS	
<b>SDR Fees</b>										
Administration	265,950	15,522	12,716	6,384	10,568	8,079			53,268	
Accounting	20,785	1,552	2,280	1,508	2,125	3,642			11,106	
Claims	185,261	8,397	11,748	7,500	7,638	2,287			37,570	
	471,996	25,471	26,744	15,391	20,331	14,007			101,944	
<b>General Admin Expenses</b>										
Bank Charges, Wiring Fees & Treasury Account	4,310	320	309	301	294	309	309		1,841	
IT/Computer Expense	70,825	7,095	-	-	-	-	-		7,095	
Courier	10,860	360	360	398	406	360			1,884	
Envelopes/Paper	610	10	-	47	-	-			57	
Liquidation Oversight Allocated Expenses	32,969	5,963	8,419	-	-	-			14,382	
Special Master Fee	2,418	96	-	247	-	380			723	
Unforeseen Expenses	3,000	-	75	-	-	80			155	
	124,992	13,844	9,162	993	700	1,129	309		26,137	
<b>Subcontractor Fees &amp; Expenses</b>										
Accounting Fees & Expenses- Petrosewicz & Company Inc.	6,384	-	541	197	-	5,500			6,238	
Legal Fees & Expenses- Fuller Law Group	96,951	6,951	7,289	1,959	1,387	5,406			22,992	
Legal Admin Expenses & Fees - Inquest Resources	4,953	153	372	126	371	590			1,612	
	108,288	7,104	8,202	2,282	1,758	11,496			30,841	
<b>Other Fees &amp; Expenses</b>										
IT Services - EMKAY Associates/Insware/Ricoh	37,613	6,095	6,735	4,962	4,842	4,842			27,476	
Records Storage - Safesite	48,751	4,057	3,996	3,794	2,909	3,251			18,007	
Records Shredding -Safeshred	36,213	213	7,043	1,791	1,761	-			10,808	
	122,577	10,365	17,774	10,547	9,512	8,093			56,291	
<b>Total Projected Final Expenses</b>	<b>827,853</b>	<b>56,783</b>	<b>61,882</b>	<b>29,213</b>	<b>32,301</b>	<b>34,725</b>	<b>309</b>	<b>-</b>	<b>215,213</b>	

# **EXHIBIT 6**

Exhibit 5 Lincoln Memorial Unclaimed Funds List

Individual Name	Address	City	State	Zip	Amount
SANDRA DIGGINS	1708 CELESTE DR	SAN MATEO	CA	94402	\$35.06
MAGGIE DEVAULT	PO BOX 347	SPRING HILL	KS	66083	\$32.86

CAUSE NO. D-1-GV-08-000945

THE STATE OF TEXAS,  
Plaintiff

v.

LINCOLN MEMORIAL LIFE  
INSURANCE COMPANY  
AND NATIONAL  
PREARRANGED SERVICES, INC.,  
Defendants

§  
§  
§  
§  
§  
§  
§  
§  
§

IN THE DISTRICT COURT OF

TRAVIS COUNTY, TEXAS

250<sup>th</sup> JUDICIAL DISTRICT

**ORDER GRANTING THE SPECIAL DEPUTY RECEIVER’S  
FINAL ACCOUNTING AND APPLICATION TO TERMINATE LINCOLN  
MEMORIAL LIFE INSURANCE COMPANY RECEIVERSHIP PROCEEDING ONLY  
AND DISCHARGE RECEIVER AND SPECIAL DEPUTY RECEIVER**

The Court considered the *Final Accounting and Application to Terminate Lincoln Memorial Life Insurance Company Only Receivership and Discharge Receiver and Special Deputy Receiver* (the “Application”), filed by Jo Ann Howard & Associates, P.C., Special Deputy Receiver of Lincoln Memorial Life Insurance Company and National Prearranged Services, Inc. (the “SDR” and “Lincoln Memorial” and “NPS” respectively).

1. The *Amended Order of Reference to Master* (“Order of Reference”) entered by this Court provides that applications filed pursuant to § 443.007 of the Code are referred to the Special Master appointed in this proceeding;

2. The Application was submitted to the Special Master in accordance with the Order of Reference;

3. Notice of the Application was provided in accordance with § 443.007 (d) of the Code and the Order of Reference, and no objections to the Application were filed;

4. The Texas Life & Health Insurance Guaranty Association filed its acknowledgment and waiver;

5. The Special Master has issued a recommendation that the Application should be granted pursuant to Rule 171 of the Texas Rules of Civil Procedure;

6. The Court has jurisdiction over the Application, and the parties affected hereunder;  
and

7. The Application should be GRANTED in all respects.

All capitalized terms used herein shall have the same meaning as in the Application.

IT IS ORDERED, ADJUDGED, AND DECREED as follows:

1. The Application is granted;
2. The final financial statements, Exhibits 1 through 4 are admitted into evidence and approved;
3. The estimated expenses through the closing of the receivership are approved;
4. The distribution of all unclaimed funds transferred to the Commissioner for deposit in a segregated unclaimed funds account as required by under § 443.304(a) of the Code is approved;
5. The reopening of this proceeding under § 443.353 of the Code is authorized, if any assigned assets collected and liquidated are, in the Commissioner's discretion, sufficient to be economically justify a distribution, and if not sufficient in the Commissioner's discretion to economically justify a distribution , the Commissioner is authorized to deposit such assets in an account established by the Commissioner in accordance with § 443.304(c) of the Code;
6. The transfer of title to records as described herein is approved and the Commissioner is authorized to destroy such records at her discretion;
7. The corporate charter of Lincoln Memorial is dissolved;

8. The Receiver and SDR and all predecessors are discharged and all bonds are released;
9. The receivership of Lincoln Memorial is terminated, but the NPS receivership estate remains open;
10. The SDR or its designated agent may sign any final tax documents and closing documents; and
11. The stay of actions against Lincoln Memorial expires by operation of law.

SIGNED this \_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
JUDGE PRESIDING

## Automated Certificate of eService

This automated certificate of service was created by the e filing system. The filer served this document via email generated by the e filing system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Christopher Fuller on behalf of Christopher Fuller

Bar No. 07515500

cfuller@fullerlaw.org

Envelope ID: 102529703

Filing Code Description: Motion (No Fee)

Filing Description: FINAL ACCOUNTING AND APPLICATION TO TERMINATE LINCOLN MEMBORIAL LIFE INSURANCE COMPANY RECEIVERSHIP ONLY AND DISCHARGE RECEIVER AND SPECIAL DEPUTY RECEIVER

Status as of 6/27/2025 4:08 PM CST

### Case Contacts

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Associated Case Party: TEXAS LIFE ACCIDENT HEALTH AND HOSPITAL SERVICE INS GUARANT

Name	BarNumber	Email	TimestampSubmitted	Status
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